



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/634,893	08/06/2003	Mitzi R. Hail	8324-0004-00	7344
22852 7590 05/18/2009 FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER LLP 901 NEW YORK AVENUE, NW WASHINGTON, DC 20001-4413				
			EXAMINER KOPPIKAR, VIVEK D	
			ART UNIT 3686	PAPER NUMBER
			MAIL DATE 05/18/2009	DELIVERY MODE PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

### Office Action Summary

**Application No.**

10/634,893

**Applicant(s)**

HAIL ET AL.

**Examiner**

VIVEK D. KOPPIKAR

**Art Unit**

3686

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 06 August 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-58 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-58 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 06 August 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-8508)
- Paper No(s)/Mail Date 11/19/03
- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Inventor's Patent Application
- 6) ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Status of the Application***

1. Claims 1-58 have been examined in this application. This communication is the first action on the merits. The Information Disclosure Statement (IDS) filed on November 19, 2003 has also been acknowledged.

### ***Claim Objections***

2. Claim 37 is objected to because of the following informalities: It is not clear what the phrase "area of expertise" means. Appropriate correction and/or clarification is required. For the purposes of examination, the Office will interpret this phrase to mean the type of insurance claim (i.e. life, casualty or health, etc.)

3. Claim 47 is objected to because of the following informalities: It is not clear in this claim who the "collector" is. Appropriate correction and/or clarification is required. For the purposes of examination, the Office will interpret the collector as constituting the insurance company since an insurance company collects the premiums of the insured.

4. Claim 50 is objected to because of the following informalities: It is not clear what the applicants are referring to by the term "precedence rule". Appropriate correction and/or clarification is required. For the purposes of examination, the Office will interpret this term to mean the rules that are used in evaluating a claim by an insured in an effort to determine the amount of money to reimburse the insured.

### ***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 17-22, 31-37 and 47-51 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. These claims are directed towards a method for auditing insurance claims, a method for managing litigation related to an insurance claim and a method for managing fees for recovery of costs related to insurance claims but the claims do not recite a device (e.g. a computer) which is used for carrying out the method. Therefore, these claims are not tied to a statutory class of invention. In order to overcome this rejection, the Office recommends amending the claims so that they recite a device (e.g. a computer) which is used in carrying out the claimed method. The applicants are reminded, however, that any amendment(s) to the claim(s) must have support in the specification as it was originally filed.

*Claim Rejections - 35 USC § 102*

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

8. Claims 45-46 are rejected under 35 U.S.C. 102(b) as being anticipated by US Patent Number 5,182,705 to Barr.

(A) As per claim 46, Barr teaches a system for managing litigation related to an insurance claim (Barr: Abstract), comprising:

means for receiving data about an insurance claim (Barr: Col. 1, Ln. 64-Col. 2, Ln. 15; Col. 3, Ln. 28-43 and Claim 3);

means for automatically assigning the insurance claim to a litigation administrator when a litigation criteria is met by the received data (Barr: Col. 1, Ln. 64-Col. 2, Ln. 15; Col. 3, Ln. 28-43 and Claim 3);

means for automatically establishing a budget for the litigation administrator based on the received data (Barr: Col. 1, Ln. 64-Col. 2, Ln. 15; Col. 3, Ln. 28-43 and Claim 3);

means for providing a user interface for an auditor to determine at least one of the assigned litigation administrator, the established budget, and a status of the litigation (Barr: Col. 1, Ln. 64-Col. 2, Ln. 15; Col. 3, Ln. 28-43 and Claim 3); and

means for automatically generating a task for the litigation administrator based on the received data (Barr: Col. 1, Ln. 64-Col. 2, Ln. 15; Col. 3, Ln. 28-43 and Claim 3).

(B) As per claim 46, this claim is substantially similar to Claim 45 and is therefore rejection in the same manner as Claim 45, which is set forth above. The only different between Claim 45 and Claim 46 is that Claim 46 is directed towards a computer-usable medium having computer readable code embodied therein for managing litigation related to an insurance claim, and Barr teaches this feature (Barr: Col. 2, Ln. 3-15).

9. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –(c) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

10. Claims 47-58 are rejected under 35 U.S.C. 102(e) as being anticipated by US Patent Number 6,950,805 to Kavanaugh.

(A) As per claim 47, Kavanaugh (Col. 3, Ln. 1-22 and Col. 4, Ln. 29-65) teaches a method of managing fees for the recovery of costs related to insurance claims (Kavanaugh: Abstract), comprising:

storing an agreement between a collector and a client in a database, wherein the client has paid costs corresponding to an insurance claim;

receiving data about a recovery related to the costs corresponding to the insurance claim, the data including at least an amount recovered;

determining taxes due on the amount recovered; and calculating a fee due to the collector based on at least one of the amount recovered and a fee schedule specified in the agreement.

(B) As per claim 48, Kavanaugh teaches the step of automatically sending the recovered amount, less the taxes and the calculated fee, to the client (Kavanaugh: Col. 3, Ln. 1-22 and Col. 4, Ln. 29-65).

(C) As per claim 49, Kavanaugh teaches that the determining further includes:  
determining a jurisdiction corresponding to the insurance claim; and  
automatically retrieving a tax calculation template for the jurisdiction from a database (Col. 3, Ln. 1-22 and Col. 4, Ln. 29-65).

(D) As per claim 50, Kavanaugh teaches that a plurality of agreements in the database correspond to the insurance claim, further comprising:

retrieving a precedence rule corresponding to the insurance claim from a database; and

automatically selecting among the plurality of agreements using the precedence rule (Kavanaugh: Col. 3, Ln. 1-22 and Col. 4, Ln. 29-65).

(E) As per claim 51, Kavanaugh teaches a step of calculating the fee using a fee schedule from a selected one of the plurality of agreements (Kavanaugh: Col. 3, Ln. 1-22 and Col. 4, Ln. 29-65).

(F) As per claims 52-58, these claims are substantially similar to Claims 47-51 and are therefore rejected in the same manner as these claims which is set forth above. The only difference is that claims 52-58 are directed towards a system and a computer-usable medium while Claims 47-51 are directed towards a method, however, Kavanaugh teaches a system and a computer-usable medium (Kavanaugh: Figures 9 and 10 and Col. 3, Ln. 1-22 and Col. 4, Ln. 29-65).

### ***Claim Rejections - 35 USC § 103***

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claims 1-2, 6, 8-9, 13 and 16 are rejected under 35 U.S. C. 103(a) as being unpatentable over 6,336,096 to Jernberg in view of US Patent Number 5,550,734 to Tarter.

(A) As per claim 1, Jernberg teaches a computer-implemented method for managing insurance claims (Jernberg: Abstract), comprising:

receiving data related to an insurance claim via a network (Jernberg: Col. 3, Ln. 5-40);  
determining whether the insurance claim has recovery potential based on the received data (Jernberg: Col. 3, Ln 32-40); and

establishing a payment decision for the insurance claim based on at least one of the received data and the evaluation of the characteristic (Jernberg: Col. 3, Ln. 29-36).

Jernberg does not teach the following feature which is taught by Tarter (Detailed Description, Paragraph 66):

if it is determined that the insurance claim has recovery potential, providing a characteristic of the insurance claim and automatically evaluating the characteristic of the insurance claim.

At the time of the invention, it would have been obvious for one of ordinary skill in the art to have modified the method of Jernberg with the aforementioned teachings from Tarter with the motivation of having a means of continuing to process insurance claims that were neither rejected nor approved, as recited in Tarter (Detailed Description: Paragraph 66).

(B) As per claim 2, in Jernberg the data related to the insurance claim includes at least one of a treatment code, a provider and a claim value (Jernberg: Col. 3, Ln. 5-40).

(C) As per claim 6, in Jernberg there is a step of comparing a value of the insurance claim to a threshold amount; and if the value of the insurance claim is below the threshold amount, the payment decision is to pay the insurance claim (Jernberg: Col. 3, Ln. 5-40).

(D) As per claims 8-9 and 13, these claims are substantially similar to Claims 1-2 and 6, respectively, and are therefore rejected in the same manner as these claims, which is set forth



above. The only difference between claims 8-9 and claims 1-2 is that claims 8-9 are directed towards system claims, however, Jernberg teaches a system (Jernberg: Col. 3, Ln. 5-40).

(E) As per claims 15-16, these claims are substantially similar to Claim 1 and are therefore rejected in the same manner as claim 1, which is set forth above. The only difference is that Claim 15 is directed towards a system while Claim 16 is directed towards a computer-usable medium while claim 1 is directed toward a method. However, Jernberg teaches a system and a computer-usable method (Jernberg: Col. 3, Ln. 5-40).

13. Claims 3-5 and 10-12 are rejected over 35 U.S.C.103(a) as being unpatentable over Jernberg in view of Tarter, as applied to Claims 1 and 8, above, respectively, and in even further view of "IRT Business This Week 2 (Fraud): Some insurance firms have paid bounties to beat fraud-Insurers say fraudulent claims cost them (pounds) 30 million last year" (hereinafter referred to as IRT).

(A) As per claims 3-5 and 10-12, the combined teachings of Jernberg in view of Tarter do not teach the following features which are taught by IRT (Page 1, Lines 20-27):

determining whether a related insurance claim has been received; determining whether a worker's compensation claim corresponding to the insurance claim has been accepted and determining whether first party insurance coverage corresponding to the insurance claim is available (IRT: Page 1, Lines 20-27).

At the time of the invention, it would have been obvious for one of ordinary skill in the art to have modified the combined teachings of Jernberg in view of Tarter with these aforementioned teachings from IRT with the motivation of having a means of detecting fraudulent claims, as recited in IRT (Page 1, Lines 20-27).

14. Claims 7 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Jernberg in view of Tarter, as applied to Claims 1 and 8, above, respectively, and in even further view of US Patent Number 5,594,639 to Iliff.

(A) As per claims 7 and 14, the combined teachings of Jernberg in view of Tarter do not teach or suggest the following steps which are taught by Iliff (Col. 62, Ln. 9-21):

adding the weighted values to obtain a result;

comparing the result to a likely recovery value; and

determining that the insurance claim has recover potential when the result is above the likely recovery value.

At the time of the invention, it would have been obvious for one of ordinary skill in the art to have modified the combined teachings of Jernberg in view of Tarter with these aforementioned teachings from Iliff with the motivation of having a means of weighing factors (i.e. various types of data) depending upon how important they are to the final result (i.e. whether a claim has recovery potential), as recited in Iliff (Col. 62, Ln. 9-21).

15. Claims 17-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent Number 6,336,096 Jernberg in view of US Patent Number 5,583,758 to McIlroy.

(A) As per claim 17, Jernberg teaches a method for auditing insurance claims (Jernberg: Abstract), comprising:

selecting an insurance claims for audit, the insurance claim including a provider treatment code (Jernberg: Col. 3, Ln. 5-40);

assigning an auditor to audit the insurance claim (Jernberg: Col. 3, Ln. 5-40);

automatically prompting the auditor to collect data related to the insurance claim  
(Jernberg: Col. 3, Ln. 5-40);

receiving the collected data from the auditor (Jernberg: Col. 3, Ln. 5-40).

Jernberg does not teach the following features which are taught in McIlroy  
(Abstract; Col. 3, Ln. 10-26 and Col. 12, Ln. 25-35):

enabling the auditor to select among a plurality of guidelines for determining a  
proposed treatment code;

determining the proposed treatment code based on the collected data using the  
selected guideline; and

comparing the proposed treatment code to the provider treatment code.

At the time of the invention, it would have been obvious for one of ordinary skill  
in the art to have modified Jernberg with these above aforementioned features from McIlroy with  
the motivation of having an enhanced means of managing health care processes, as recited in  
McIlroy (Col. 1, Ln. 34-46).

(B) As per claim 18, the combined teachings of Jernberg in view of McIlroy teach the  
step of adjusting the provider treatment code based on the comparison with the proposed  
treatment code (McIlroy: Col. 3, Ln. 10-26). The motivation for making this modification to the  
teachings of Jernberg is the same as that set forth above in the rejection of Claim 17.

(C) As per claims 19-22, the combined teachings of Jernberg in view of McIlroy teach  
generating a request for additional data related to the insurance claim; automatically sending the  
request to the provider; creating a data entry template for the auditor based on at least one of the  
provider treatment code and the data related to the insurance claim; comparing the provider

treatment code from the insurance claim with a diagnostic code from the insurance claim and comparing a plurality of treatment codes associated with the insurance claims (McIlroy: Abstract; Col. 3, Ln. 10-26 and Col. 12, Ln. 25-35). The motivation for making these modifications to the teachings of Jernberg is the same as that set forth above in the rejection of Claim 17.

(D) As per claims 23-30 these claims are rejected in the same manner as claims 17-22, which is set forth above. The only difference between claims 23-30 and claims 17-22 is that claims 17-22 are directed towards method claims while claims 23-30 are system claims, however, Jernberg teaches a system (Jernberg: Col. 3, Ln. 5-40).

16. Claims 31, 32, 34-39 and 41-44 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent Number 6,336,096 to Jernberg in view of US Patent Number 5,855,005 to Schuler.

(A) As per claim 31, Jernberg teaches a method for managing litigation related to an insurance claim (Jernberg: Abstract), comprising:

receiving data about an insurance claim (Jernberg: Col. 3, Ln. 5-40);

automatically assigning the insurance claim to a litigation administrator when a litigation criteria is met by the received data (Jernberg: Col. 3, Ln. 5-40).

Jernberg does not teach the following features, however, they are taught by Schuler (Figure 6; Col. 1, Ln. 15-45; 2, Ln. 63-67; Col. 4, Ln. 63-Col. 5, Ln. 5):

automatically establishing a budget for the litigation administrator based on the received data; providing a user interface for an auditor to determine at least one of the assigned

litigation administrator, the established budget, and a status of the litigation; and automatically generating a task for the litigation administrator based on the received data.

At the time of the invention, it would have been obvious for one of ordinary skill in the art to have modified the teachings of Jernberg with these above aforementioned teachings from Schuler with the motivation of having a means of auditing an exposure of an insured, as recited in Schuler (Col. 5-27).

(B) As per claims 32 and 34-37, Jernberg does not teach the following features which are taught in Schuler (Figure 6; Col. 1, Ln. 15-45; 2, Ln. 63-67; Col. 4, Ln. 63-Col. 5, Ln. 5):

wherein the litigation administrator is an attorney; prompting the auditor to take action when the task has not been completed by the litigation administrator; selecting the litigation administrator based on the data about the insurance claim; wherein the data about the insurance claim includes a jurisdiction and wherein the data about the insurance claim includes an area of expertise.

The motivation for making these modifications to the teachings of Jernberg is the same as that set forth above, in the rejection of Claim 31.

(C) As per claims 38-39 and 41-44, these claims are rejected in the same manner as claims 31-32 and 34-37, which is set forth above. The only difference between claims 31-32 and 34-37 and claims 38-39 and 41-44 is that claims 38-39 and 41-44 are directed towards method claims while claims 38-39 and 41-44 are system claims, however, Jernberg teaches a system (Jernberg: Col. 3, Ln. 5-40).

17. Claims 33 and 40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Jernberg in view of Schuler, as applied to Claims 31 and 38, above, respectively, and in even further view of US Patent Application US 2002/0177991 to Ejerjed.

(A) As per claims 33 and 40, the combined teachings of Jernberg in view of Schuler do not teach the following features which are taught by Ejerjed (Sections [0011] and [0026]):  
receiving a legal question from the auditor;  
automatically determining a response to the legal question by querying a legal databases;  
and  
providing the response to the auditor.

At the time of the invention, it would have been obvious for one of ordinary skill in the art to have modified the teachings of Jernberg in view of Schuler with these aforementioned teachings from Ejerjed with the motivation of having a means of automatically answering a question posed by a user.

### ***Conclusion***

18. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Vivek Koppikar, whose telephone number is (571) 272-5109. The examiner can normally be reached from Monday to Friday between 8 AM and 4:30 PM.

If any attempt to reach the examiner by telephone is unsuccessful, the examiner's supervisor, Jerry O'Connor, can be reached at (571) 272-6787. The fax telephone numbers for this group are either (571) 273-8300 or (703) 872-9326 (for official communications including After Final communications labeled "Box AF").

Another resource that is available to applicants is the Patent Application Information Retrieval (PAIR). Information regarding the status of an application can be obtained from the (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAX. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, please feel free to contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Sincerely,

/Vivek D Koppikar/

Examiner, Art Unit 3686

5/18/2009